

EXHIBIT 1

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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MARY ROZELL,

Plaintiff,

- against - Case No. 05 CV 2936

COURTNEY ROSS-HOLST, an individual, ANDCO, LLC, a
corporation, and NEIL PIROZZI, an individual,
Defendants.

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June 26, 2006

10:04 a.m.

Deposition of ELIZABETH ARNOLD, a non-party witness
herein, taken pursuant to Subpoena, and held at the
offices of Littler Mendelson, P.C., 885 Third Avenue,
16th Floor, New York, New York, before April Pearl
Schirm, a Court Reporter and Notary Public of the
State of New York.



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2 contacts.

3 Q. Anything else?

4 A. Not that I remember.

5 Q. Do you recall anything that was discussed

6 about how Ms. Rozell wanted the case to be resolved?

7 A. No.

8 Q. And can you read your parenthetical, not

9 knowing?

10 A. Not knowing how people are viewing her.

11 Q. What does that refer to?

12 A. I think I was identifying a source of

13 stress.

14 Q. What does it say next?

15 A. My note to myself is a double

16 parentheses. Hostility hovering out there and I

17 don't know when it's going to strike. I'm trying to

18 imagine her feeling.

19 Q. So generally, in your notes, if you do a

20 double parentheses, it is an observation that you are

21 making?

22 A. Uh-huh, or a thought I'm having to

23 myself.

24 Q. What does it say at the bottom?

25 A. I was really close to boss. Probably

2 sure she hates me now. Thinks I'm after her money.

3 Q. What does that refer to, do you recall?

4 A. Courtney. Mary expressed sadness over
5 the loss of the relationship with her.

6 Q. Was it your impression that Ms. Rozell
7 believed she had a friendly relationship with
8 Courtney Ross --

9 A. Yes.

10 Q. -- prior to this legal incident?

11 A. Yes.

12 Q. What does it say at the bottom?

13 A. The humiliation of not doing a lawsuit.

14 Q. Do you know what that refers to?

15 A. That seemed worse than the stress of
16 doing a lawsuit.

17 Q. Do you recall anything else that was
18 discussed about that in this session?

19 A. No.

20 Q. Turn to the next page. Is this still the
21 same session?

22 A. Yes.

23 Q. Can you just read the parenthetical at
24 the top?

25 A. Hovering hostility before being let go.

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A. His friend -- I believe Neil's friend,

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Richard Halperin sat in on meeting. Mrs. Holst's

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financial advisor. Her, quote, guru du jour.

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Christy came in minutes before the meeting to say

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he'd be in the meeting. Neil is chief financial

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consultant, brought in his friend Richard who was

8

making a fortune.

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Q. And again, these are things being told to

10

you by Mary Rozell?

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A. Of course, yes.

12

Q. Okay.

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A. Keep going?

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Q. Yes.

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A. Told her, she asked -- and I believe this

16

refers to the meeting with Ms. Holst. She asked,

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what would you like me to do, me, meaning Mary, I'll

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handle it.

19

Q. And then there is, if you'll see there,

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there is a double parentheses that has the word

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nothing.

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A. Nothing.

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Q. What is that?

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A. What would you -- Ms. Holst, what would

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you like me to do. When Mary says I'll handle it, my

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assumption was that she did not want Ms. Holst to do anything. Nothing.

Q. That was a note you were making to yourself on what your impression was, correct?

A. Yes.

Q. Where it says, I'll handle it, that is something that Mary Rozell told you?

A. Yes.

Q. Can you continue reading?

A. Then he turned malicious and some quotes. You were a cheerleader. You? You are so negative.

Q. Do you recall any examples of maliciousness that Ms. Rozell cited?

A. No.

Q. At the bottom, can you read that?

A. Why the timing. Suddenly to escort you out.

Q. What does that refer to?

A. The dismissal and escorting from the building.

Q. And that was Ms. Rozell questioning the timing, correct?

A. I'm unclear. That sounds like something I would have asked her.